

Realty Stock Review

January 11, 1985 (Priced Jan. 8)

VOL. XVI, No. 1

With this issue we inaugurate (just to beat the Washington crowd) the first of a planned series of more intensive quarterly reviews of major classes of realty stocks. We are splitting our previous Quarterly Review Issue into three sections to focus on group trends and companies more closely. This inaugural issue covers REITs, followed by the builders and manufactured housing companies in the first Feb. issue, and realty service/investment builders in the first March issue.

This front page will review these three major classes of stocks each month. Inside you'll find: (a) Current Ranking reviews of selected REITs (plus one newcomer) on pages 2-3; (b) Brief reviews of 62 qualified REITs on pages 4-7, in our usual format; (c) Summary balance sheet data of REITs on page 8.

Right on cue, the REITs have been going thru the roof, occasioning many calls from media folk to your editor asking what's cooking. The other side is presented by a subscriber who asks us to comment on the presumption that "if any of the proposed tax law changes regarding real estate is adopted, it would reduce the demand (at least for large parcels) and therefore decrease the value of real estate companies."

There's little doubt that unveiling

of the Treasury's proposed tax changes in late November disoriented the realty markets, especially for syndicators. **U.S. Shelter** said the other day that 1984 EPS (at 12-15¢ sh.) would fall below expectations because during the Dec. qtr. "the bottom has virtually dropped out of the market for syndication products." **Southwest Realty** failed to close a Houston apartment sale because a buyer couldn't raise money.

Yet the market for realty stocks is showing no panic. In the three weeks thru Jan. 9, while the Dow-Jones Industrials plunged, 22 realty stocks touched new 52-week highs, vs. only 10 new lows. And 16 (or 73%) of the new highs were of REITs. (Space doesn't permit printing the New High-New Low list this issue but we'll send a copy to any subscriber requesting it.) Moreover, there's strong demand for any seasoned equity REITs on price dips (for instance, buy orders came in quickly this week when First Union fell below 26 briefly).

Clearly some big money doesn't believe the media. We think the answer is that the syndication slowdown affects mainly the money flowing into apartments, while pension funds and other institutions continue to pour money into offices, shopping centers, etc. That's why seasoned REITs are buys on any dips, in our opinion.

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PUBLISHED TWICE MONTHLY ON THE SECOND AND FOURTH FRIDAYS SUBSCRIPTIONS \$244 ANNUALLY/GROUP RATES ON REQUEST

RANKING REVIEWS: FOUR EXISTING REITS RANKED WHILE ONE NEW REIT JOINS LIST

We've reviewed four REITs and are holding three even while reducing one; a fifth is added to RSR coverage.

New Plan Realty Trust holds A Rank by continuing strong gains in earnings and dividends, plus strong capital raising ability. NPR netted 93¢ in its July FY, up at an 18.6% annual rate over the past five years; operating cash flow of 97¢ is up at 19.7%, and cash distributions of 86¢ are up at a 17.9% rate; the dividend now is at a 96¢ rate. Oct. Q EPS of 26¢ was up 13%.

Operations. NPR owns 2.5 mil. sq. ft. in 20 shopping centers, all in the Northeast (58% of estimated value of assets); 618 apartments in four projects (11%); miscellaneous industrial properties and participating mortgages (6%); and investments in other REITs (3%). NPR's strategy is to buy older established community shopping centers, mainly in upstate New York, as cheaply as possible (average cost \$15.87/SF) and then increase return thru a combination of improvements and leasing. All are open centers except 224,000 SF Wampanoag Mall, East Providence, R.I., bought last year; three other centers were also bought for \$8.7 mil. or \$18.07/SF. Largest holding is 597,000 SF Roosevelt Mall and annex, Philadelphia. NPR is adding 100,000 SF to various centers, including 20,000 SF at Rockland Consumer Plaza, Nanuet, N.Y.; 19,200 SF at Norwich, N.Y.; and planned 50,000 SF at Middletown, N.J. Rental revenues rose 27.5% in 1984, with new properties generating about 75% of that. NPR owns debentures convertible into 9% of Pennsylvania REIT (see below).

Finances & outlook. NPR is highly liquid with \$5.00/sh. cash and equivalent, result of raising \$22 mil. via an April 1984 stock offer. This gives NPR \$55 mil. to buy new properties. The founding Newman family owns 17.6%, insuring strong management involvement, and the Merchant Navy Officers Fund of Britain owns 24.6%. Management estimates current value at \$14.90/sh. diluted. NPR is sound, well managed and should do well long-term; buy.

Pennsylvania REIT also holds A Rank by extending its dividend and cash flow growth. Operating EPS was \$2.28/sh. in the Aug. FY, up 15.7% in the year and at 10.1% over the past five years; the \$2 year-end dividend rate has risen at 12% yearly. Gains on property sales added \$1.08/sh. to 1984 net.

Operations. PEI holds interests in 40 properties, 15 wholly owned (41% of total); 25 properties in joint ventures with PEI interests from 25% to 75% (53% of total); and purchase money mortgages (6%). The \$113.7 mil. total investment at cost is divided 54% shopping centers (2.33 mil. net SF at \$26.64/SF average cost); 30% apartments (2,372 net units at \$14,295/DU average cost); and office, industrial and undeveloped land (10%). Total accumulated depreciation of \$32.8 mil. equals \$8.84/sh. fully diluted. The properties are subject to \$50 mil. mortgage debt. Combined rents rose 10.4% in 1984 and with expenses contained, operating income rose 10.7%. Net cash flow exploded 50% in partnership properties and overall net cash flow from properties rose 21.5%.

Financing & outlook. PEI sold \$35 mil. of 9.75% debentures convertible at \$25.50 thru Aug. '88 (\$28.40 afterward). Cash position is strong with \$33 mil. liquid funds (\$8.90/sh. diluted). PEI also has a \$7.5 mil. revolving credit and has drawn \$3.3 mil. for advances to partnerships. Most new investments are made in partnership format, and during 1984 PEI bought a 75% interest in 218,000 SF Forestville Plaza in the Washington, D.C. suburbs, and 50% of 190 DU Will-O-Hill apartments, Reading, Pa. PEI does not estimate current value per share but we believe it well exceeds the sum of net book value per share plus accumulated depreciation of \$25.89/sh. fully diluted. Buy long-term.

Mortgage & Realty Trust (formerly PNB Mtg. & Rlty.) also holds A Rank by continuing slow but consistent dividend and earnings gains. MTR operating EPS rose 22% in the Sept. FY to \$1.65/sh.; longer-term EPS growth is 6.4% over 5 years. Widening interest spread accounted for most of the 1984 gain. Property sale gains added 5¢ in 1984. Dividends have risen at 10.8% annual rate to \$1.64

for the year and \$1.76 rate now.

Operations. MTR is a moderately leveraged pure mortgage REIT now making participating mortgages. Portfolio at Sept. '84 of \$208 mil. is 85% first mortgages (divided 32% construction/development, 23% permanent, 23% standing, 1% land, 5% participating); 14% seconds (divided 8% participating, 2% construction, 5% other); 1% property & foreclosures. MTR began making participating loans a year ago (many other lenders have been doing so for years) and had \$26 mil. (13%) in firsts and seconds booked by year-end. MTR hopes to boost this to \$45-\$50 mil. by 1985 year-end and \$90 mil. by Sept. 1986. MTR had \$35 mil. unfunded participating loan commitments at year-end; average loan is below \$10 mil. Participating loans are fixed rate (about 11.5%-12% currently) and call for additional interest over base rents, conversion into partial ownership, with an option to buy remaining ownership at market values. Participating loans won't add meaningfully to 1985 EPS but could be significant after.

Financing & outlook. Total debt of \$82.8 mil. is 0.67 times shareholders' equity, a ratio MTR believes can be increased to 1-to-1 without undue risk. About 82% of debt is short-term floating rate commercial paper (which MTR uses to fund construction loans). MTR intends match-funding its longer-term participating loans (which can be called at end of 10 years) and has filed to offer \$40 mil. senior subordinated notes with warrants. With a larger equity base and reduced non-earning assets, MTR is less vulnerable to future interest rate swings. Shares yield about 10% and are conservative longer-term buys.

General Growth Properties falls a notch to C Rank because we have some concern about asset quality once it distributes \$25/sh. in Feb. from Nov. 28 sale of substantially all its shopping centers to Equitable Life. The total price of \$708 mil. makes it the largest-ever U.S. real estate sale. But the ongoing value of GGP hinges upon the value of the stub ex the distribution:

Tax status: The pending \$25 distribution (record date hasn't been set) will be classed as long-term capital

gain regardless of holding period (and not as return of capital). A holder's basis will be cost. At 20% capital gains rate, a recipient will be liable for \$5 tax (and the distribution will be a tax preference item). One scenario is for a holder who bought in the \$25-\$30 range to sell the stub immediately after the distribution (assuming it sells at \$5) and claim a long-term capital loss that would offset most tax liability. Holders should consult their own tax counsel. However, this scenario would add selling pressure on the stub.

Asset value: Remaining assets are in four categories: (a) Purchase money mortgages with \$50.6 mil. face and \$44.7 mil. carrying value. But \$18.5 mil. of this is balloon payments due 1991-93, and rates are 6.5% to 10%. Market value is probably \$35-\$38 mil. (b) Residual properties are two apartments, one small shopping center, offices and some land, all with nominal cash flow. Book value is \$34 mil. but planned \$17 mil. write-down in the Dec. qtr. will leave \$10 mil. net value after debt. (c) Earnout of \$5-\$55 mil. depending upon 1985-86 results of the sold properties; GGP says attaining this earning will "require very substantial increases in net cash flow over 1983". These three pieces total about \$5-\$6/sh. present value. (d) Residual cash after the distribution is an unknown but may be as much as \$1-\$1.50/sh., for total \$5.50-\$7.50/sh. Taking all this, we see selling pressure on the stub and less than well defined growth, and thus aren't bullish.

VMS Short Term Income Trust is a new REIT which sold 6.67 mil. shs. at \$10 over the holidays and listed on the ASE (symbol VST). VST is sponsored by VMS Realty Partners, Chicago based private syndicator whose principals are Robert D. Van Kampen, Peter R. Morris, and Joel A. Stone. VST will use its \$65 mil. capital to make bridge loans, generally for six months, to finance property acquisitions, mainly for VMS affiliated partnerships. The principals guarantee repayment. VMS raised \$557 mil. via syndications in 1983, but volume of \$191 mil. thru Sept. was down 23%. Shares appear to be a high yield play on future syndication success.

B-AMERICANA HOTEL: (AHR-NYSE). Gr.3-Combination. Organized 11/82. Assets: Holds second mtgs. w/ kickers on 21 hotels with 7,040 rms.; sold two weakest hotels 11/84. About half resort/convention hotels, half commercial. Sponsored by Bass Bros. Enter., Ft. Worth & managed by their Americana Hotels unit; Results: Sept. Q oper. EPS 62¢, up 7%. Dividend increased to \$2.44 rate. Shs. for L-T gains + income. (RSR 4/13/84)

C-BRT REALTY: (BRT-ASE). Gr.2-Comb. Assets: Now mainly S-T mtg. lender w/ kickers after 2/83 restructuring with infusion of mtgs. & \$1M cash from Gould Investors, now 75% owner but distributed 1 BRT sh. for each Gould sh. 1/85; Acquired Kavanau REIT 2/84 for shs. Results: Oper. EPS 31¢ sh. in Sept. FY v. dl¢ prior 10 mo. Goal: use \$1.15 sh. taxloss benefit. Audit affil. has advised. Shs. hold/buy below \$2.27/sh. book. (RSR 1/27/84)

A-BANKAMER RLTY: (BRE-NYSE). Gr.2-Combination. Assets: High-quality assets, 40% shop. ctrs., 66% Calif.; Often holds equity interest + mortgage loan on property. Results: Oct. Q oper. EPS up 15¢ to 54¢ after absorbing rise in shs. out from deb. conversion, plus 11¢ prop. sale gains. Appraised value \$31.50 sh. diluted 7/84, up 10.5%. Shs. strong lately but are L-T capital gains buy. Uppe div. 11¢ to \$2.40 rate 11/84. (RSR 10/5/84)

B-CALIFORNIA REI#: (CT-ASE). Gr.1-Prop. Assets: Rolling over older props. (most triple net leased) into multi-tenant props. with more upside, mostly apts. & shop. ctrs. Calif. & Texas. Deprec. & lower initial yield on new props. hurt reported EPS. Appraised value \$12.89 12/83. Signed \$10M bank credit. Results: Oper. EPS 44¢ 9 mon. Sept., up 2%, + 29¢ cap. gains; Div. up 3¢ 8/84 to \$1.24 rate. Sold 2 bldgs. 12/84. Shs. for L-T gains from success of asset redeployment. (RSR 5/11/84)

B-CENVILL INVESTOR: (CVI-NYSE). Gr.2-Comb. Assets: 91% mtgs. (41% on recreational facilities, 22% new condo constr., 17% to Cenvill Devel., parent of adviser); + two shop. ctrs. w/ 212T SF, 154 rm. motel; Signed \$20M credit to make devel. loans, most in Boca Raton, Fla. (Boca Grove). Results: EPS 57¢ Sept. Q, down 9%; 9 mo. EPS \$1.80, off 4%. Shs. buy for income plus L-T growth.

A-CLEVETRUST RLTY: (CTRI-OTC). Gr.2-Comb. Assets: 30% mtgs.; 60% income props. (5 off. w/ 490T SF; 3 shop. ctrs. w/ 254T SF; 400 DU apts.); 10% nonearning land. Made \$6.5M convt. leaseback loan on Austin shop. ctr. 8/84. Merchant Navy Fund, U.K., owns 30% & considers calling spcl. meeting for liquidation vote. RSR est. appraised value \$23.25-\$25 sh. Results: Sept. FY CFS \$1.54, off 5%; oper. EPS \$1.12, off 12%. Div. upped 9% to \$1.52 rate 7/84. Shs. hold/arbitrage until liquidation question settled. (RSR 1/27/84)

C-COMMONWLTH FINC. RE: (CFGRS-OTC). Gr.3-Mtg. Assets: Houston based construction & devel. lending trust, result of First Contl. REIT acquisition of M&T Mtg. 8/83. Strong Texas/Okla. focus; Avoiding Houston hsg. but nonearning loans up to 8.8% 8/84. Adviser being sold to officers. Results: 31¢ in Nov. Q, off 14%. Hold for income.

C-COMMONWLTH RLTY#: (CRTYZ-OTC). Gr.1-Prop. Assets: Owns mainly office bldgs., incl. Valley Forge (Pa.) office park after buying 40% minority interest; owns 6 Penn. bank branches. Bought 38T SF N.J. office 2/84. Sold shop. ctr. for \$1.29/sh. gain 6/84, buying 37% of 37T SF Denver office, 50% of 140T SF Calif. office 9/84. Country & New Town (U.K.), owns 66%. Oper EPS 13¢ sh. in Aug. '84 9 mo., paying 60¢ '84. Shs. for more recovery.

***-CONSOL CAP INCOME:** (CCITS-OTC). Gr.3-Mtg. Assets: Invests in wrap-around mtgs. & assumes underlying mtgs. (shown as debt in tables, p. 8); maturity short & 98% due in 3 yrs. Loans mainly West & SW, mainly apts.; some w/ interest kickers. Advised by Consol. Capital, W. Coast syndicators. Results: EPS \$2.40 in Sept. 9 mon., down 10.5%; Sept. div. down 23% to 86¢. Delinquent loans 24.4%, foreclosures 12.4%. Avoid for now.

B-CONSOL CAP RLTY#: (CCPLS-OTC). Gr.2-Comb. Assets: Owns mainly apts., half Texas. Condo and/or sale gains potential give upside; Selling props. selectively for cash & high-yield notes, boosting payout. Results: Aug. 9 mon. oper. EPS 66¢, off 11¢ + \$1.27 sale gains. Divs. up 27%. Shs. aggressive gains. (RSR 4/8/83)

***-CONSOL CAP SPECIAL:** (CCSTS-OTC). Gr.3-Mtg. Assets: Invests in wraparound, first & second mtgs. w/ equity kickers, most due in 5 yrs. Est. yield 16.25-19.5% incl. kickers due on sale. Managed by Consol. Cap. Results: EPS \$2.36 Sept. 9 mo., down 14%; Sept. div. 82¢, off 2%. Delinquent loans 21.3%, foreclosures 8.5%. Avoid or risky yield.

B-DEL-VAL FINCL: (DVL-ASE). Gr.3-Mtg. Assets: Invests mainly in comc'l. mtgs. in props w/ sponsor and/or principals acting as general partners. Stresses net leased comc'l. props. Sold \$21M secured notes 12/83. Results: Sept. 9 mon. EPS \$1.26, up 1%. Shs. for income.

A-EASTGROUP PROPS: (EGP-ASE). Gr.1-Prop. Assets: Specializes in land purchase leasebacks on apts. & shop. ctrs. Selling props. at gains, of \$6.32/sh. in Aug. 9 mon.; Eastover Corp. owns 28% & manages. Bought back 149.4T sh. @ \$34.96 in Aug. 9 mon. Results: Oper. EPS \$2.36 sh. Aug. 9 mo., up 55%. Swapped Calif. hotel 8/84 for \$1.35/sh. gain & 80% of new business park. Pd. \$4.36 spcl. div. 1/85. Shs. hold for condo profits (RSR 3/23/84)

B-EASTOVER CORP: (EASTS-OTC). Gr.1-Prop. Requalified as REIT 12/84 after spinning off non-REIT assets into Congress St. Properties. Holds 28.2% (or 763T shs.) of EastGroup Properties, also a qualified REIT. Controlled by Investors Leland Speed/Brent Baird. One EASTS sh. = 0.61 EGP sh.

A-FEDERAL REALTY#: (FRT-ASE). Gr.1-Prop. Assets: Unique ability to buy & upgrade older shop. ctrs., generating high return. Owns mostly Wash. D.C. shop. ctrs. w/ 3.5M SF; Plans renovating 3 ctrs. 1984. Debt mtgs./leases. Belgian group owns 16%. Raised \$21M via stock sale 6/84. Results: Sept. 9 mo. CFS \$1.20, up 24%. Listed NYSE. Shs. sound buy for L-T gains (RSR 5/13/83).

A-FIRST UNION RE#: (FUR-NYSE). Gr.1-Prop. Assets: Institutional qual. assets: 19 shop. malls w/ 5.8M SF; 8 downtown offices w/ 1.8M SF. Stressing

shop, malls & expanding Minn. mall; Debt 3% bank, rest mtgs. & debts. Appraised value \$33.44 sh. diluted 6/84. Results: Oper. CFS 48¢ sh. Sept. Q, up 17%. Div. upped to \$1.84 ann. rate 1/85, up 21% in yr. Shs. L-T growth buys (RSR 3/23/84).

A-FLORIDA GULF#: (FGLFS-OTC). Gr.1-Prop. Assets: Owns mainly Fla. shop. ctrs. w/ 1.9M SF; Upgrading 2 ctrs., re-leased 3 closed Woolco stores w/ higher rents. Agrees to liquidate after dissident shareholder group begins proxy fight; hopes to realize \$20/sh. Hold/sell or arbitrage shs. now. (RSR 5/25/84).

B-GENERAL GROWTH#: (GGP-NYSE). Gr.1-Prop. Assets: Sold 19 Midwest shop. ctrs. 11/84 for \$390 mil. net cash + mtgs.; will pay \$25/sh. cash (as L-T cap. gain) in 2/85; Will consider merger, liquidation, etc. for remaining mtgs. & props. over coming yrs.; residual value est. \$5-\$6/sh. plus unknown cash & possible earnout. Shs. arbitrage or hold for stub value. (RSR 1/11/85).

***-GOLDEN CORRAL:** (GCRA-OTC). Gr.1-Prop. Assets: Will buy 25 family steakhouses operated by manager, private Golden Corral Corp. under leases for 8% of gross food sales w/ minimums letting GCRA pay 12.5% on gross offering proceeds in first 3 yrs. after 10/84 offer. No advice. (RSR 10/19/84).

A-GOULD INVESTORS#: (GTR-ASE). Gr.1-Prop. Assets: Owns 17 shop. ctrs. (1.46M SF); 6 offices (427T SF); 9 apts. (1,780 DU); 11 land leasebacks; Owns 75% BRT Rlty. & distributed 1 BRT sh. for each GTR sh. 1/85 in lieu of four qtrly. divs.; Acquired 900T SF NYC office 12/83. Selling 8.6% stake in Rlty. ReFund to EastGroup Prop. Results: Sept. FY oper. EPS \$1.65, off 10%, plus \$1.09 sale gains. Shs. L-T buy. (RSR 1/27/84).

A-HEALTH CARE FUND: (HCN-ASE). Gr.3-Mtg. Assets: Midwest nursing home financing specialist lends for constr., then buys & leases completed homes back to operators; owns 50 homes w/ 4,232 beds, most Ohio; Borrows against homes (mostly indust. revenue bonds) & sells shs. for equity. Sold 862.5T new shs. 10/84. Results: Sept. 9 mon. EPS \$1.97, up 6%. Div. up 4% 11/84. Shs. buy. (RSR 5/18/83).

C-HMG PROP INV: (HMG-ASE). Gr.1-Prop. Assets: Developing realty equities, some in joint ventures; Main projects Dallas, Houston, Orlando, Boston. Constr. loan interest & some slow leasups hurt EPS/CFS. Former trust, Transco Rlty., owns 41%. Debt 50% floating rate bank. Results: Sept. 9 mo. loss \$2.29 v. d\$1.46. Div. held @ 60¢. Shs. down & now spec holds (RSR 7/15/83).

A-HOLLYWOOD PK RL: (HTRFZ-OTC). Gr.1-Prop. Assets: Paired REIT for Hollywood Park race track, Inglewood, Cal., leased to Operating Co. for race meets (94 net days '83); Bought harness racing sub. from Wincorp Rlty. Plans expanded track at Hollywood. Bought Los Alamitos harness track 8/84 for \$27M & will develop nearby 100 ac. Results: Sept. 9 mo. \$1.87, up 24%. Shs. L-T buy. (RSR 11/16/84).

B-HOTEL INVESTORS#: (HOT-NYSE). Gr.1-Prop. Assets: Owns interests in 21 hotels (1,601 rms. owned; jt. ventures in four hotels; mtgs. on nine hotels); all nat'l. franchises. Soft mkts. in Omaha &

Dallas cut '84 EPS/CFS. Debt is mtgs. & debts. Shs. paired w/ hotel mgr. giving oper. control. Appr. value \$34.65/sh. 8/84. Congress St./East-group buys 5.1% stake. Results: Nov. Q oper. EPS 65¢, incl. 11¢ prepayment fee, up 48%; oper. CFS 84¢. Shs. recovery buy (RSR 11/16/84).

A-HOTEL PROPS#: (HPS-ASE). Gr.1-Prop. Assets: Was RE Inv. Props. Owns 10 motor hotels w/ 1,220 rms.: Five w/ 509 rms. triple net leased to Vagabond Hotels; five leased to Western Host (trust adviser) in Tucson, AZ; Las Cruces & Albuquerque, NM; & two Atlanta, GA Sheratons w/ 293 rms. Won 86.5% of U.S. Equity & Mtg. 8/84 via tender @ \$10. Approved corp. format & anti-takeover rules 12/84. Results: Sept. Q oper. CFS 42¢, off 5%. Buy/hold. (RSR 10/21/83).

B-HUBBARD REI: (HRE-NYSE). Gr.1-Prop. Assets: Redeploying assets from net leases (all step-down leases now gone) into multi-tenant props. with upside; does some devel. in joint ventures. Owns: 9 shop. ctrs. (981T SF); five offices (482T net SF); + 20% prop. under financing leases & 18% mtgs. Results: Oct. FY oper. EPS \$2.19, up 10%. Shs. very conserv. & sound L-T buy (RSR 2/10/84).

A-IRT PROPERTY CO#: (IRT-NYSE). Gr.2-Comb. Assets: Owns 10 shop. ctrs. w/ 1.2M SF; 3 apts. w/ 644 DU (most w/ condo potential); 8 indust. bldgs. w/ 822T SF; 9 land leasebacks. Sold Charlotte land to affiliate & took back kicker mtg. Sold Fla. shop. ctr. 12/84 for 78¢ sh. gain. Results: Sept. 9 mo. oper. CFS \$1.12, up 12%; Split 5-for-4 & upped div. 18%. Shs. buy for condo gains (RSR 3/25/83).

A-INTL INCOME PROP#: (IIP-ASE). Gr.1-Prop. Assets: Sponsored by Lend Lease, Aust. Owns interests in four shop. malls (Savannah; Lancaster, Pa.; Chattanooga; Alexandria, Va.) w/ 1.4M net SF. Sold N.C. mall & bought Va. mall in 1/84. Appraised val. \$11.79 sh. 12/83. Results: Sept. 9 mo. EPS 33¢ incl. 18¢ sale gain. Div. 88¢ rate (38% non-taxable). Shs. hold/buy for income (RSR 3/25/83).

INVESTORS GNMA TR: (INVG-OTC). Gr.3-Mtg. Assets: Holds \$1,332 bil. (net of \$201 mil. unamort. disc.) Govt. Nat. Mtg. Assn. (GNMA) pass-thru certif. collateralize \$1,335 bil (net of \$198 mil. unamort. disc.) GNMA-Backed Sequential Pay bonds; all principal repayments on GNMA certif. used to retire bonds. Trust profits from net interest margin. Book value shown net of \$19.47/sh. deferred expenses. Results: Sept. 9 mon. EPS \$7.88; div. \$2.02. Shs. for income. (RSR 12/21/84).

B-JMB REALTY: (JMBRS-OTC). Gr.2-Comb. Assets: Stresses subordinated equity-type invest., mainly wraparound mtgs. w/ equity kickers & land purchase leasebacks. Assets half shop. ctrs. Appraised value \$19.40 8/84. Results: Aug. FY oper. EPS \$1.94, up 14% after 2-for-1 split, + \$2.43 sale gains; Nov. Q oper. EPS 49¢, up 4%. Div. up 5% to \$1.64 rate 10/84. Hold L-T (RSR 1/13/84).

B-L&N HOUSING: (LHC-NYSE). Gr.3-Mtg. Assets: Mtg. trust formed 5/81 to seek condo conversion potential in new apts. by financing mtgs. & leasebacks yielding 12.5% + 25% of rent rises + 50% of value rise. Financing 10 projects w/ 1,711 DU (avg. invest \$29,900/DU). No debt. Results: Sept. 9 mo. oper. EPS \$1.92, up 2%. Div. up on 27¢ sale gain. Buy L-T. (RSR 4/13/84).

A-LOMAS & NET. MTG: (LOM-NYSE). Gr.3-Mtg. Assets: Constr. & devel. lending REIT, mngd. by largest mtg. banker; Loan originations down 14% in Sept. Q, funded loans up 20%; Loans 54% first mtg. constr.; 18% first mtg. acquisition/development; 18% others & seconds; 6% permanents; 4% foreclosures; nonearnings 6.3%, v. 4.6% in June. Results: Sept. Q EPS 88¢, up 13%; Pays all EPS as div. Shs. buy/hold as lower rate play (RSR 10/5/84)

***-MSA REALTY:** un. (SSS-ASE). Gr.1-Prop. New REIT via public offer 3/29 of 2.44M shs. + \$75M subor. debts. + total 9.54M wts. exercisable @ \$9 thru 3/89. Will buy 590T SF Crossroads Mall, Omaha; build 660T SF Ross Park Mall, Pgh., + 3 Ill. strip ctrs. w/ 785T SF. Mngd. by Melvin Simon & Assoc., Indianapolis, major shop. ctr. bldr. Results: Sept. Q EPS 9¢; div. 24¢. Shs. L-T buy for development success. (RSR 4/13/84)

B-MASSMUTUAL MTG: (MML-NYSE). Gr.3-Mtg. Assets: Shifting from long-term mtgs. but 66% still L-T loans yielding 9.7% incl. kickers; Has funded \$44.9 mil. (23% of assets) in 9 Sunbelt props. yielding 11.7% cash; props. 51% off., 38% shop. ctr.; CenTrust S&L, Miami (owned by David Paul) bought 16% 12/84. Results: Oct. FY EPS \$1.52, off 4.4%. Buy/hold. (RSR 10/5/84)

B-MONY MTG INV: (MYM-NYSE) Gr.3-Mtg. Assets: Balances S-T constr. & devel. loans w/ older L-T fixed-rate mtgs. yielding about 10.0%. Most S-T loans float w/ prime, matching 78% rate sensitive debt; Will reinvest mtg. paydowns in equities next 5 yrs., end constr. lending. Results: Nov. 6 mo. oper. EPS 45¢ sh., up 15%, + 23¢ sale gains. Shs. for conservative yield & L-T equity investment. (RSR 10/5/84)

A-MORTGAGE GROWTH#: (MTG-ASE). Gr.2-Comb. Assets: Evolving as aggressive equity buyer while cleaning up past foreclosures (e.g., backing townhouse development near Wash. D.C.); Sold Calif. apt. complex 1/84 for \$1.10 sh. deferred gain. Results: Nov. FY oper. EPS \$1.37, up 21%, before \$1.44 contingent inter. & sale gains. Shs. L-T buy for new investments (RSR 4/13/84)

A-MTG & RLTY: (MTR-NYSE). Gr.3-Mtg. Assets: 99% Mtgs. divided 23% permanents, 32% constr./devel.; 23% standing; 7% seconds; 1% land acq.; 12.5% participating; + 1% foreclosures & props.; 1.2% nonearning; Funded \$26M participating loans thru 9/84; see \$45-\$50M funded by 9/85. Debt 18% L-T, 82% S-T; leverage low. Sept. FY oper. EPS \$1.65, up 22%. Buy for income (RSR 1/11/85).

C-MUTUAL REIT#: (MUTRS-OTC). Gr.1-Prop. Assets: Owns/manages racially integrated apts. in 8 states w/ 1,322 DU in Ga., Ky., Kan., Mo., N.J., Ohio, Pa. 7 owned over 10 yrs.; Debt mtgs. Dissident holder group elected 3 new trustees 7/84 & took control. Results: Sept. Q EPS 22¢, up 10%. Thinly traded shs. hold.

D-NAT CAPTL RET: (NCETS-OTC). Gr.1-Prop. Assets: Props. 34% apts. (647 DU); 34% shop.ctr. (282T SF); 32% office (225T SF). mainly West & South; Problem props. hurt recent CFS. Hired SF realty firm as new adviser 2/84; Has L-T mtg. commitments on two troubled props. to aid CFS. Appr. value \$8.29 12/83. Results: Sept. 9 mo. d17¢, v. d18¢. Shs. now strong recovery spec on new mgmt.

A-NEW PLAN RLTY#: (NPR-ASE). Gr.1-Prop. Assets: Specializes in upgrading older props., mainly shop. ctrs. in Northeast; Owns 20 shop. ctrs. w/ 2.5M SF; 4 apts. w/ 618 DU; six indust. Debt all fixed-rate, mtgs. + convts. Merchant Navy Fund, U.K., owns 30%, founding Newman family 18%. Bought stake in Penn. REIT. Results: Oct. Q EPS 26¢, up 13%. Shs. LT gains buy (RSR 12/23/83).

C-1 LIBERTY FIRE PR: (TIRE-OTC). Gr.1-Prop. Assets: Formed 4/83 to buy 40 new Firestone Tire & Rub. retail stores at cost, net leasing them back to Firestone for 12.822% of cost + 1% of gross over first 12 mon. sales. Holders OK making other invest. Results: Sept. 9 mo. EPS \$1.09; Div. \$1.68/yr. Shs. for income (RSR 7/15/83).

A-PENN REIT#: (PEI-ASE). Gr.1-Prop. Assets: Owns props. directly & thru joint ventures: Owned props. incl. 3 shop. ctrs. w/ 617T SF & 2,063 apts.; Joint ventures (most 50%) incl. 16 shop. ctrs. w/ 1.7M net SF, 309 DU net apts., + indust. & office. Ventures give equity play while spreading risk. Debt all mtgs. + \$35M debts. convt. @ \$25.50; New Plan Rlty. buys debts. convt. to 4.7%. We believe appraised value well over adj. book. Results: Aug. FY oper. EPS \$2.28, up 16%. Buy L-T (RSR 1/11/85).

B-PITTS & W VA RR: (PW-ASE). Gr.1-Prop. Assets: Owns 112 mi. railroad lines & props. connecting around Pgh., leased for 99 yrs. w/ "right of unlimited renewals" to N&W RR. Annual fixed-rents of 60¢ sh. paid as divs. after expenses; latest div. up 8% to 56¢. Shs for yield. (RSR 4/23/82).

C-PRESIDENTIAL RL-B#: (PDL-B-ASE). Gr.2-Comb. Assets: Owns apts. & office/indust. props., mainly Northeast. Lends to related Ivy Props. for NYC area coop conversions & share of proceeds. Assets incl. purchase money mtgs. at big discount. Shapiro family controls. Results: Sept. 9 mo. oper. EPS 87¢, up 21%; Div. up. For L-T gains (RSR 5/11/84).

A-PROPERTY CAPITAL: (PCL-ASE). Gr.1-Prop. Assets: Specializes in subor. investments: e.g., leasebacks (49%) & L-T junior mtgs. (51%) w/ equity sharing on rent gains on off-balance sheet assets. Assets diverse income props. (43% office, 16% shop. ctr., 17% indust/comcl.). Appr. value \$43.40 7/84; split 2-for-1. Sold \$40M debts. convt. @ \$43.40 12/84. Results: Oct. Q EPS 76¢, up 10%. Buy for L-T gains (RSR 11/16/84).

A-PROPTY TR AMER#: (PTRAS-OTC). Gr.1-Prop. Assets: Independent El Paso trust: Bldg. 285 DU apts., El Paso, & rent-up hurts CFS, as does Dallas indust. vacancy; sees 1985 improvement to \$1.25/sh. CFS. Results: Sept. 9 mo. oper. EPS 53¢, off 22%. Buy for aggressive L-T growth (RSR 4/13/84).

C-REALTY INCOME: (RIT-ASE). Gr.2-Comb. Assets: 56% permanent mtgs., 26% subor. & wraparound mtgs.; 16% land leasebacks; 1% foreclosures; debt is \$4.2M secured bank loan + convts. (discount purchases added 7¢ EPS in July Q). No div. Chevy Chase Prop. (headed by B.F. Saul) owns 50% & mngs. Results: Oct. 6 mo. oper. EPS 34¢, up 36%, + 8¢ debt repur. Shs. for recovery (RSR 10/5/84).

C-REALTY REFUND: (RRF-NYSE). Gr.3-Mtg. Assets: Specializes in longer-term refinancings, mainly via wraparound mtgs., mainly East & Midwest. Un-

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derlying props. half apts., half office/indust. Most debt fixed rate. EastGroup Props. bought 14%, may seek "significant influence." Results: Oct. Q EPS 33¢, off 6%. Shs. buy for yield (RSR 4/22/83).

A-REIT OF CALIF: (REITS-OTC). Gr.1-Prop. Assets: Owns 17 props. in So. Calif. (most Ventura Co. NW of Los Angeles) incl. three retail, two apts., 7 comcl/indust. Leverage low. Raised \$18.4M 8/84 w/ sale of 840T sh. @ \$24; will buy props. in Cal. Results: Sept. 9 mo. EPS \$1.89, up 8%. Buy L-T.

***-RESOURCES PENSIN 1 & 2:** (RPSA-OTC). Gr.F-Finite. Assets: New mtg. trusts formed 1982 & 1983 aimed at pension/profit sharing plans; Makes equity kicker investments on completed props., mainly wraparound mtgs. & land purchase leasebacks; gets cash inter. + accrued inter. + share of value gains. Mangd. by Integrated Resources, NYC. Results: No. 1: Sept. 9 mo. EPS \$1.71, up 15%; No. 2 June 6 mo.: 72¢. Shs. for yield (RSR 8/24/84).

A-SANTA ANITA RL: (SAR-NYSE). Gr.1-Prop. Assets: Paired stock: Realty owns major Calif. racetrack, + 50% of adjoining shop. mall; Plans bldg. 70T SF med. bldg. & 800T SF office park in jt. venture; Joining group bldg. new track in Minn.; Appraised value \$23.98 12/83. Joins Hubbard RE to buy bldg. Results: Sept. 9 mo. EPS \$1.49, up 14%. Shs. buy for L-T value growth, new track benefits. (RSR 5/11/84).

***-SIERRA RE EQUITY '82 & '83:** (OTC-No symbol). F-Finite. Sister equity trusts sponsored by Sierra Capital, S.F. SREE'82 owns mainly office and research bldgs. in Cal., Az., Tex. Appraised value \$11.20 12/83. Div. 70¢ ann. but not covered by CFS in June Q. SREE'83 owns office/research & shop. ctr., Cal. & Wash. Appr. value \$10.27 12/83. Div. 60¢. Will liquidate in 12-15 yrs.

C-STORAGE EQUITIES: (SEQ-NYSE). Gr.1-Prop. Assets: Specializes in mini-warehouses renting private, enclosed storage; Seeks high return while inventorying well located land. Sponsor in field as syndicator since 1972. Bought 11 props. w/ 659T SF 12/83 (five jointly w/ mgrs. limited partnerships), giving 54 projects. Sold \$40M 9.88% notes w/warrants 12/84. Results: Sept. 9 mo. EPS \$1.01, up 29%. Div. up 9.5¢ 8/84. Shs. buy for income + L-T land appreciation (RSR 7/15/83)

***-STRATEGIC MTG. INV:** (STM-NYSE). Gr.3-Mtg. New REIT sold about 5.5M sh. at \$20 12/84 (\$110M). Sponsored by Genstar Mtg., sub. of Canadian corp. Will use funds to warehouse (or pool) conventional mtgs. on one-family owner occupied homes, then sell 90% of pools as mtg.-backed securities, retaining 10% subor. interest. Income from fees, spread, yield on residual 10%. Seen as yield plus growth stock. (RSR 12/21/84).

***-TRAVELERS REIT:** (TRATS-OTC) Gr.F-Finite. Assets: New REIT formed 4/84 w/ \$25M offer (2.5M sh. @ \$10) to invest in mtgs., land purchase/leasebacks & other invest. w/ equity kicker features. Managed by Keystone Props. unit of Travelers Life. Limits holdings to 9.8% of sh. Results: Sept. 5 mo. EPS 49¢; Sept. div. \$1 annual rate.

B-USP RL EST INV#: (USPTS-OTC). Gr.1-Prop. Assets: Sunbelt props., 38% shop. ctrs., 49% apts.; 85% managed, 15% net leased. Bought 124T SF shop. ctr. 2/84. Sponsor Life Investors owns 34%, Peregrine Inv. 12%. Agrees to sell three props. for \$3-\$4/sh. gains, will pay some in '85. Results: Sept. 9 mo. oper. CFS 73¢, up 12%. Appr. value \$15.57 12/83. Shs. a buy.

A-UNITED DOMINION RE#: (UDRT-OTC). Gr.1-Prop. Assets: Assets Merger 12/84 of Old Dominion REIT & Realty Indus., Assets \$96M at cost, most Vir. & N.C.: 73% apts. w/ 3,743 DU; 20% shop. ctrs. w/ 825T SF; Post-merger ownership: Two Belgian investors 19.6%; Sam Kornblau 21.1%. Acquired Realty Indus. for 2.5M new shs., giving 4.2 mil. shs. Old Dom. Results: Sept. 9 mo. CFS 65¢, up 12%. Buy for L-T gains (RSR 5/11 & 5/25/84)

***-VMS SHT TERM INC TR:** (ASE-VST). Gr.3-Mtg. New trust sold 6.67M sh. 12/84 at \$10 (\$66M capital). Sponsored by VMS Realty Partners, Chicago, major syndicators. Will make higher-yield, short-term (6 mon. avg.) bridge loans, mainly to let VMS affiliated partnerships buy and hold commercial properties while syndicate partnership interests are sold. VMS principals guarantee repayment of loans to affiliates. Shs. for high yield, depend upon future syndication success. (RSR 1/11/85)

A-WASH RE(WRIT)#: (WRE-ASE). Gr.1-Prop. Assets: Strong growth record from buying props. in Wash. DC area; Assets evenly divided shop. ctrs. w/ 485T SF; offices w/ 559T SF; apts. w/ 1,412 DU. Sold converted hotel 5/83 for \$1.49/sh. gain; took back \$11M purchase mtg. & OKs \$11.5M constr. loan. Results: Sept. 9 mo. oper. EPS \$1.16, up 27%. Div. upped 14¢ 8/84. Shs. for L-T gains (RSR 4/13/84).

***-WEDGESTONE RLTY:** (WEDGS-OTC). Gr.3-Mtg. Assets: Formed 1982 as mtg. REIT lending mainly first & second mtgs. for constr., condo conversions, etc., mainly New Eng. Loans high yield (e.g., 6% over prime) & avg. \$325T. Results: Sept. 9 mo. oper. EPS 91¢, off 13% as nonearning assets (latest 24%) hurt; Divs. paid quarterly (were monthly).

A-WELLS FARGO M&E: (WFM-NYSE). Gr.2-Comb. Assets: Holdings 72% mtgs. (49% constr. & devel. mtgs., 12% intermediate, 6% purchase money); 25% props. & jt. ventures; Props. over half office/indust. Developing 252T SF research bldgs. in Cal. & N.M. apts. via jt. ventures; Sells props. regularly to support div. S-T floating debt 60% of total. Results: Sept. Q oper. EPS 53¢, up 23%, + 11¢ sale gains. Shs. buy for yield & growth (RSR 10/5/84)

A-WESTERN INV RET: (WIR-ASE). Gr.1-Prop. Assets: Owns 23 props., 49% shop. ctr./supermkt., 30% indust., 11% resch./devel., 10% restaurant etc. Bought Nev. truck terminal and made covt. loan on Cal. resch./devel. bldg. June Q. Most debt mtgs. Sold 675,000 sh. @ \$15.50 7/24. Results: Sept. 9 mo. EPS 94¢, up 13%. Div. upped to \$1.50 rate. Shs. L-T buy. (RSR 6/22/84)

Additions	Deletions
Eastover Corp.	REIT of America (acquired
Strategic Mortgage Inv.	by Unicorp American)
VMS Short Term Income Tr.	

Name changes: Hotel Properties from Real Estate Inv. Props.; Mortgage & Realty from PNB Mtg. & Rlty.; United Dominion RE from Old Dominion RE.

Qualified Real Estate Investment Trusts

January 11, 1985

ST	LT	RANK	EXCH/ SYMBOL	GROUP	SHARE (000)	BOOK VALUE	ANN DIV	EARNINGS MON	12 MO	LAST PRICE	REPORT DATE	INVEST ASSETS	SHEET % MTGS	ITEMS PROPS	% EQUITY	TOTAL DEBT	REFRE- CIATION	
PROPERTY TRUSTS																		
H	B	C	CALIFORNIA REIT	AS-CT	1	2825	9.413	1.24	SEP	0.94	11.88	9/84	32.5	15.5	84.5	24.2	8.7	2.3
H	B	C	COMMONWLTN RLIT	OC-CRTY2	1	1468	9.296	0.68	AUG	2.08	10.38	8/84	29.2	0.4	99.6	9.2	19.7	4.3
H	B	A	EASTGROUP PROPS	AS-EGP	1	2707	23.26	6.96	AUG	10.39	33.00X	8/84	56.5	18.6	81.4	62.9	4.4	0.9
H	B	A	FEDERAL REALTY	NY-FRT	1	7442	11.89	1.44	SEP	1.93	21.25X	9/84	100.2	4.6	95.4	67.2	53.8	21.2
H	B	A	FIRST UNION REIT	NY-FUR	1	11390	12.383	1.84	SEP	2.20	26.50X	9/84	320.3	24.5	75.5	98.1	231.2	42.8
H	B	A	FLORIDA GLF RL	OC-FGLFS	1	3357	11.32	0.00	OCT	0.59	16.63	10/84	37.5	0.0	100.0	24.8	13.7	13.1
H	B	C	GENERAL GROWTH	NY-GGP	1	7561	10.67	0.60	SEP	1.06	30.50	9/84	500.2	10.0	90.0	28.5	450.8	52.1
H	B	A	GOLDEN CORRAL	OC-GCRA	1	1320	9.03	0.00	---	0.00	11.00	8/FF	11.9	100.0	0.0	11.9	0.0	0.0
H	B	A	GOULD INVESTORS	AS-GTR	1	1278	27.67	2.50	JUN	2.28	23.00	6/84	81.8	43.4	56.6	15.8	61.2	19.5
H	B	C	HMG PROP INV	AS-HMG	1	1234	18.75	0.60	SEP	-0.85	12.50	9/84	78.0	11.5	88.5	23.1	54.5	5.7
H	B	A	P-HOLLYWOOD PK RL	OC-HTRFZ	1	3834	8.12	1.60	SEP	2.31	20.50	6/FF	107.2	0.0	100.0	31.1	91.8	23.3
H	B	B	P-HOTEL INVESTORS	NY-HOT	1	2647	21.563	2.60	NOV	2.94	28.63	8/84	90.6	20.9	79.1	49.8	44.9	7.2
H	B	A	HOTEL PROPS	AS-HPS	1	2023	10.923	1.72	SEP	2.24	14.75X	9/84	47.4	6.3	93.7	19.5	25.8	2.5
H	B	A	HUBBARD REIT	NY-HRE	1	5807	24.09	2.20	OCT	2.19	24.75X	7/84	119.1	14.9	85.1	139.8	16.4	6.4
H	B	A	INTL INCOME PRS	AS-IIP	1	9155	8.693	0.88	SEP	0.87	10.50	9/84	79.6	0.0	100.0	70.1	11.5	9.4
H	B	A	NSA REALTY CORP	AS-SSS	1	2440	7.87	0.48	SEP	0.10	8.25	6/84	96.1	86.6	13.4	19.2	75.0	0.0
H	B	C	MUTUAL REIT	OC-MUTRS	1	1453	11.50	0.25	SEP	0.93	9.00	9/84	20.5	39.9	61.1	9.9	12.3	6.9
H	B	C	NATL CAPITAL RE	OC-NCEST	1	3517	4.113	0.60	SEP	-0.68	5.00	7/84	54.3	36.1	63.9	14.4	38.0	8.0
H	B	A	NEW PLAN RL TRS	AS-NPR	1	11077	6.003	0.96	JUL	0.97	14.50	7/84	51.3	4.8	95.2	54.7	46.9	11.8
H	B	C	LIBERTY FUND	OC-LFRE	1	1513	14.51	1.68	SEP	1.71	14.25	9/84	19.9	0.0	100.0	21.4	0.0	0.5
H	B	A	PENN REIT	AS-PEI	1	2345	19.79	2.40	AUG	3.89	32.38	8/84	43.7	15.9	84.1	27.0	48.6	19.3
H	B	B	PITTS & U VA RR	AS-PW	1	1510	6.07	0.56	SEP	-17.45	5.38	9/84	9.1	0.0	100.0	2.1	0.0	0.0
H	B	A	PROPT TR AMER	OC-PTAS	1	3674	10.403	1.20	SEP	0.94	13.50	9/84	38.8	1.2	98.5	31.9	13.6	6.2
H	B	A	REIT OF CALIF	OC-REITS	1	1703	16.41	2.50	SEP	2.48	27.25	9/84	15.7	10.8	89.2	27.9	2.7	1.8
H	B	A	P-SANTA ANITA	NY-SAR	1	6432	4.638	1.94	SEP	1.97	21.13X	9/84	74.6	2.2	97.8	29.7	51.4	17.3
H	B	C	STORAGE EQUIT	NY-SEQ	1	2961	12.35	1.84	SEP	1.31	17.88	9/84	75.6	9.7	90.3	36.5	37.9	2.6
H	B	A	UTD DOWNS RLIT	OC-UTRS	1	4185	9.89	0.84	JUN	0.84	10.75X	6/FF	93.0	0.9	99.1	37.6	55.7	3.7
H	B	A	USP RL EST INV	OC-USPTS	1	2500	9.733	0.91	SEP	1.45	12.25	9/84	41.8	5.3	94.7	14.5	29.2	9.7
H	B	A	WASH RE (WRIT)	AS-WRE	1	5369	10.863	1.60	SEP	1.63	25.38	6/84	48.6	23.4	76.6	44.2	12.9	14.0
H	B	A	WESTERN INV RE	AS-WIR	1	2330	11.693	1.50	SEP	1.52	17.38	9/84	19.5	12.4	87.6	23.9	1.7	3.3
PROPERTY & MORTGAGE COMBINATION																		
H	B	B	AMERICAN HOTEL	NY-AHR	2	5778	18.69	2.42	SEP	2.42	26.00	9/84	120.9	95.5	4.5	108.0	18.0	0.0
H	B	B	BANKAMER RLTY	NY-BRE	2	7759	16.183	2.40	OCT	3.67	30.25	10/84	175.6	39.1	60.9	125.5	68.5	8.3
H	B	A	CENTRAL MTGRLTY	OC-CRTS	2	1375	0.42	0.00	SEP	0.34	0.75	9/FF	1.0	0.0	100.0	0.5	0.0	0.0
H	B	B	CENWILL INVSTR	NY-CVI	2	7807	13.26	2.60	SEP	2.53	21.25	9/84	122.0	91.4	8.6	92.8	9.9	3.1
H	B	A	CLEVE TRUST RLTY	OC-CRTS	2	2830	14.793	1.53	SEP	1.29	19.50	6/84	53.7	25.2	74.8	41.8	10.8	9.7
H	B	B	CONSOL CAP RLTY	OC-CCPLS	2	5966	11.63	1.68	AUG	2.65	16.75	8/84	120.6	42.2	57.8	38.1	80.6	31.4
H	B	B	EASTOVER CORP	OC-EASTS	2	1247	16.07	0.40	SEP	8.47	24.25	9/84	24.9	31.0	71.0	20.0	4.5	0.0
H	B	A	IKT PROPERTY CO	NY-IKT	2	3954	13.403	1.60	SEP	2.14	18.25	9/84	52.5	35.5	64.5	43.9	18.1	9.0
H	B	B	JOB REALTY	OC-JHRBS	2	1423	16.033	1.64	NOV	3.34	17.50	8/84	36.2	75.3	24.7	22.8	13.4	0.0
H	B	A	MORTGAGE GROWTH	AS-MTG	2	4181	12.538	1.48	NOV	2.81	17.25X	9/84	50.3	46.5	53.5	52.3	13.3	5.0
H	B	C	PRESIDENT RL-A	AS-PDLA	2	479	5.97	0.80	SEP	1.21	10.75	9/84	39.8	39.7	60.3	-2.5	42.1	22.0
H	B	B	PRESIDENT RL-B	AS-PDLB	2	2776	5.97	0.80	SEP	1.21	8.88	9/84	39.8	39.7	60.3	-2.5	42.1	22.0
H	B	A	PROPERTY CAPITAL	AS-PCL	2	8504	11.183	1.79	OCT	1.79	19.75	10/84	107.2	54.3	45.7	95.0	47.2	0.0
H	B	C	REALTY INCOME	AS-RIT	2	1510	9.85	0.00	OCT	0.79	7.13	10/84	23.6	78.3	21.7	14.9	10.8	0.6
H	B	A	WELLS FARGO M&E	NY-WFM	2	6512	21.103	2.80	SEP	2.46	27.50	9/84	413.7	75.2	24.8	137.3	265.3	14.8
MORTGAGE TRUSTS																		
H	B	C	BRT REALTY	AS-BRT	3	6235	2.46	0.00	SEP	0.31	1.88	6/84	37.5	96.8	3.2	15.3	20.3	0.0
H	B	A	CORNLTH FINC RE	OC-CFRGS	3	4103	9.93	1.20	NOV	1.36	8.38X	8/84	74.3	95.8	4.2	40.3	33.4	0.0
H	B	A	CONSOL CAP INC	OC-CCITS	3	13758	22.37	3.36	SEP	2.68	25.75	9/84	470.2	93.3	6.7	307.7	207.3	0.5
H	B	A	CONSOL CAP SPCL	OC-CCST	3	12708	22.36	3.36	SEP	2.84	25.53	9/84	326.4	92.9	7.1	266.0	99.5	0.6
H	B	A	DEL-VAL FINCL	AS-DVL	3	3105	9.41	1.68	SEP	1.70	13.88	6/84	102.3	98.6	1.4	29.2	66.9	0.0
H	B	A	HEALTH CARE FD	AS-HCN	3	2804	14.52	2.03	SEP	2.64	19.38	9/FF	80.0	8.0	92.0	40.7	62.6	0.0
H	B	A	INVTST GMA TR	OC-INWG	3	682	0.33	2.88	SEP	8.76	21.00	9/84	1331.8	100.0	0.0	0.2	1334.9	0.0
H	B	B	INTL INV	NY-ILG	3	2200	23.77	2.77	SEP	2.90	26.38	9/84	45.9	83.7	16.3	52.2	0.0	0.0
H	B	B	LOHAS & HET MTG	NY-LHM	3	3700	28.22	3.36	SEP	3.36	33.63	9/84	313.3	95.3	4.7	104.4	213.2	0.0
H	B	B	MASSACHUSETT MTG	NY-MHL	3	6172	19.36	1.80	OCT	1.52	18.63	7/84	190.8	65.5	34.5	119.4	73.0	0.4
H	B	B	MONY MTG INV	NY-MYM	3	9969	9.61	0.80	NOV	1.11	8.50X	8/84	243.1	88.5	11.5	95.7	150.1	2.4
H	B	A	MTG & RLTY TRST	NY-MTR	3	7331	15.79	1.76	SEP	1.70	17.50	9/84	207.6	98.9	1.1	123.6	82.9	0.0
H	B	C	REALTY REGRND	NY-RRF	3	1377	17.43	1.33	OCT	1.35	14.00	7/84	73.7	100.0	0.0	24.0	48.5	0.0
H	B	A	STRATEGIC MTG	NY-SM	3	5010	18.49	0.00	---	0.00	20.38	10/FF	92.4	100.0	0.0	92.6	0.0	0.0
H	B	A	VNS S/T INCOME	AS-VST	3	6668	9.60	0.00	---	0.00	9.23	11/FF	62.6	100.0	0.0	64.0	0.0	0.0
H	B	A	WEDGESTONE RLTY	OC-WEDGS	3	1639	7.97	1.20	SEP	1.11	7.50	6/84	13.1	78.1	21.9	13.0	0.0	0.0
SELF-LIQUIDATING TRUSTS																		
H	B	A	RES PENSION 1	OC-RPAS	F	2192	22.31	2.00	SEP	2.23	23.25	9/84	46.4	100.0	0.0	43.9	0.0	0.0
H	B	A	RES PENSION 2	OC-RPAS	F	4447	17.30	1.68	JUN	2.01	18.75	12/83	53.9	100.0	0.0	65.1	0.0	0.0
H	B	A	SIERRA RE EQ82	OC-SRE82	F	1586	7.353	0.70	JUN	-0.10	9.50	6/84	19.3	0.0	100.0	10.9	8.5	0.7
H	B	A	SIERRA RE EQ83	OC-SRE83	F	3017	8.353	0.60	JUN	0.25	10.50	6/84	25.6	0.0	100.0	24.9	9.5	0.1
H	B	A	TRAVELERS REIT	OC-TRATS	F	2523	9.37	0.39	SEP	0.40	9.50	9/84	15.2	68.5	31.5	23.6	0.0	0.0
H	B	A	WESPAC INVSTR	OC-WESPS	F	5968	6.96	1.08	MAY	0.10	9.75	5/84	100.6	5.1	94.9	26.4	70.3	15.1

REALITY STOCK RANKINGS

REALITY STOCK REVIEW has developed its exclusive Rankings of real estate stocks to indicate relative quality of historic track record for investors. Rankings from "A" to "E", shown in the third column from left in the statistical tables above, are assigned based upon our analysis of five-year earnings and dividend trends, financial strength and liquidity, and management record. Being historical, Rankings are not based upon current price and thus are not intended as recommendations.

An asterisk (*) denotes stocks which cannot be ranked because of insufficient (generally less than two years) operating history in present form or incomplete data. (Z) denotes entities which currently retain Audit of its investment banking affiliate, Campbell & Dillmeier, for specific assignments, and entities for which we are acting as non-retainer intermediary for a publicly announced proposed transaction during the transaction's pendency. (L) denotes liquidating entities, which are not ranked. Rankings and Buy-Sell-Hold advice given without regard to whether the entity subscribes to RSR. Stock prices of REITs tend to be less volatile than stocks of operating companies, hence generally are better suited for longer-term.

BUY - SELL - HOLD ADVICES

Buy - Sell - Hold advice is summarized in the first two left-hand columns in the statistical tables, as "B" = Buy, "H" = Hold, "S" = Sell or Avoid. When two advice are combined (e.g., "B/H"), accent is upon the first advice. Advice are reviewed each issue and advice changes are underlined. Advice are classified as Short-Term ("S/T") for holding less than one year; and Long-Term ("L/T") for one to three years. No advice are given during pendency of a proposed equity-type security offering, or during pendency of an assignment involving audit or its investment banking affiliate (see "Z" left). Advice are given for most widely held and active stocks, but we cannot advise at all times on thinner, less active stocks. No advice are given for convertibles, warrants or preferreds, which depend upon underlying common.

Advice are solely the responsibility of the publisher and may be changed at any time. The publisher cannot, by law, guarantee profitability of any advice given, but exercises diligence to monitor advice at publication. Since many realty stocks have relatively thin trading markets, investors generally find it